

FISCAL NOTE

HB 2816 - SB 2870

February 26, 2006

SUMMARY OF BILL: Increases from \$12,980 to \$13,370 the annual income limit for eligibility for the Property Tax Relief Program for elderly and disabled homeowners.

ESTIMATED FISCAL IMPACT:


Increase State Expenditures – Exceeds \$27,000

Assumptions:

- There would be an additional 259 claims due to increasing the income threshold.
- The average payment per claim would be \$107.
- According to TCA § 67-5-702(a) and 703(a)(2) the annual income limit is raised each year according to the social security cost of living adjustment for the year. It is estimated that the increase for 2006 would bring the annual income limit to \$13,330 in the absence of this bill. Therefore, the increase in state expenditures above what would happen in the absence of this bill is $\$107 \times 259 = \$27,713$.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director